



CITY OF STOCKTON

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
EMERGENCY SHELTER GRANT (ESG)
HOME INVESTMENT PARTNERSHIP (HOME)

FISCAL YEAR 2005-2006 APPLICATION

Deadline for Submitting Applications:

5:00 PM, January 5, 2005

Submit to:

**Housing and Redevelopment Department
425 N. El Dorado Street, 3rd Floor
Stockton, CA 95202**

Hand delivery suggested. FAXed copies will not be accepted.

Proposals received after deadline, regardless of postmarked date,
will not be accepted.



I. GENERAL INFORMATION

The City of Stockton anticipates receiving federal funds from the Department of Housing and Urban Development (HUD) to assist low and moderate income persons, expand economic opportunities, provide decent housing, and/or a suitable living environment. As a recipient of the Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), and Emergency Shelter Grant (ESG) funds, the City allocates these funds to different activities to meet priority needs and the specific objectives identified in the City's Consolidated Plan.

For the upcoming 2005-2006 Program Year, the City of Stockton expects to receive the following entitlement grant amounts:

CDBG	\$5 Million
HOME	\$2.3 Million
ESG	\$185,165

Please note that the actual amount of funds available to qualified organizations will be different. For example, under the terms of the Section 108 (CDBG) loan repayment schedule, the City is obligated to pay the debt service first. In addition, there are other costs (administration and ongoing programs) which the City proposes to deduct from the entitlement amounts shown above.

All eligible proposals will be reviewed by the City's Community Development Committee (CDC). The CDC is a City Council advisory committee comprised of appointed residents from all sectors of the City. Based on the proposals, the CDC will make funding recommendations to the City Council on the allocation of funds among all competing City and community projects. **Please note that submitting an application does not guarantee funding. A variety of factors are used by the CDC to make funding recommendations such as, eligibility, fit with priorities, funding availability, etc.**

A. HOME ELIGIBILITY

The HOME Program addresses diverse local housing needs through moderate and substantial rehabilitation, new construction, tenant-based rental assistance, and other activities. The City of Stockton will create "loan-pools" with HOME funds that will allow housing developers to apply for funds throughout the year, therefore, **APPLICATIONS WILL NOT BE CONSIDERED FOR INDIVIDUAL AFFORDABLE HOUSING PROJECTS AT THIS TIME.**

For more information on HOME funds available, please contact the Housing staff at (209) 937-8539 or visit the City's website at www.stocktongov.com/hrd/index.htm

B. CDBG ELIGIBILITY

To be recommended for funding, a proposed activity/project must meet two requirements. The project must qualify as an eligible use of funds and must meet one of three national objectives mandated by HUD.

The following activities are eligible uses of CDBG funds under HUD's guidelines:

- Acquisition of Real Property
- Disposition of Property
- Public Facilities and Improvements
- Public Services
- Relocation
- Removal of Architectural Barriers
- Housing Rehabilitation
- Code Enforcement
- Historic Preservation
- Commercial Rehabilitation
- Special Economic Development
- Homeownership Assistance

Also, one of the following Federal objectives must be met under HUD's guidelines:

- Provide benefit to low and moderate-income persons
- Eliminate and prevent slums and blighting elements
- Meet a particularly urgent community need (defined as providing disaster relief from flooding, earthquakes, etc.)

In addition to the federally mandated eligibility criteria, the Stockton City Council has adopted local objectives for the CDBG funds which guide funding recommendation to support the City's approved goals and objectives as outlined in the Five-Year Consolidated Plan. Proposals should meet one of the following City of Stockton's local objectives:

1. Housing and neighborhood preservation, including new housing opportunities;
2. Economic development through job retention or creation;
3. Public improvements and facilities limited to the support of the first two objectives;
4. Elimination of blight and blighting elements to the support of the first two objectives;
5. Programs offering significant community benefit in direct support of the first two objectives.

Program beneficiaries must be principally low or moderate-income persons. This is defined as persons with incomes at or below 80% of the median family income for the Stockton Metropolitan Statistical Area. Current limits for 2004 are:

	1	2	3	4	5	6	7	8+
Median	38,600	44,100	49,600	55,100	59,500	63,900	68,300	72,700
80%	30,850	35,250	39,650	44,100	47,600	51,150	54,650	58,200

C. ESG ELIGIBILITY

The primary objective of the Emergency Shelter Grant (ESG) Program is to help improve the quality of life for the homeless and to help reduce the number of persons at risk of becoming homeless. To meet these objectives, ESG funds may be used for the following program activities related to emergency shelters for the homeless.

- Provision of essential services to the homeless.
- Maintenance and operating costs of shelters.
- Activities designed to prevent homelessness.
- Renovation, rehabilitation or conversion of buildings to shelters.

Program beneficiaries must be principally low or moderate-income persons. Again, this is defined as persons with incomes at or below 80% of the median family income for the Stockton Metropolitan Statistical Area (see previous table).

II. FEDERAL AND LOCAL REQUIREMENTS

CDBG, ESG, and HOME programs are also subject to other numerous Federal and local requirements, some which are listed below. Additional requirements can be found in the CDBG, ESG, and HOME regulations, OMB Circular A-110, A-122 and A-133, and the City of Stockton's guide to Affirmative Action for Federally-funded projects. Applicants are encouraged to familiarize themselves with these requirements to ensure that their organization has adequate administrative systems in place.

- **Timeliness:** Federal guidelines for these funds require that funds be spent in a timely manner. Funded projects will need to be underway and generating expenditures within twelve (12) months of execution of an agreement with the City; otherwise funds may be de-obligated.
- **Program Income:** Funds generated as a result of CDBG and HOME funding must be reported and are subject to HUD regulations.
- **Audits:** Depending on the type of project or activity to be funded, organizations may be required to have an audit performed in accordance with Governmental Auditing Standards.
- **Accessibility:** Programs, services and projects must be accessible to persons with disabilities. Program access can be achieved in many cases without having to alter the existing facility.

- **Prevailing Wages:** Capital (building/construction) projects may trigger prevailing wages under the Federal Davis-Bacon Act and State SB 975 for construction workers. This generally increases the project cost approximately 30 percent.
- **Lead-Based Paint:** Rehabilitation activities must comply with the latest revisions of the Lead-Based Paint Poisoning Act.
- **Environmental Review and Historic Preservation:** Environmental review and historic preservation clearance must be completed before funds can be committed.
- **Ineligible Reimbursements:** Costs incurred and funds expended prior to certification of the grant or loan agreement are **not** reimbursable. All reimbursement requests will be reviewed at time of submission for eligibility under Federal Regulations.
- **Affirmative Action:** Organizations must demonstrate efforts to utilize minority and women-owned businesses in contracting for services.
- **Relocation:** Activities that temporarily or permanently displace residents or businesses are subject to Uniform Relocation Act regulations, which require monetary benefits be paid to those displaced.
- **Insurance:** The City requires all entities receiving funding to provide proof of insurance. Specific information on types and limits can be found on the City's website or by contacting Risk Management at (209) 937-8629.

III. INSTRUCTIONS FOR COMPLETING THE APPLICATION

- Complete one application for each activity or for each funding source requested.
- The application is divided up into sections based on the type of program, project, or service for which the funds are requested.
 - **Section I, II, and IV – all applicants must complete these sections**
 - **Section IIIA – complete if requesting funding for the following:**
 - Housing - New construction, rehabilitation, acquisition, etc
 - Public Facilities Improvements - Acquisition, new construction, rehabilitation of a facility where a public service or program will be located

- **Section IIIB – complete if requesting funding for the following:**
 - Public Service - Operational costs of a service or program
 - Economic Development - Job creation/retention
 - Emergency Shelter Grant – Emergency Shelter services
 - Other Activity – not listed above or not sure of category, please call 937-8539.
- **Return one (1) original unbound application and three (3) copies with all attachments.** Forms should be typed.
- Deadline for submitting applications: **Monday, January 5, 2005, before 5:00 p.m.**
- Hand delivery suggested. Applications received after the deadline, regardless of postmarked date, will not be accepted. **FAXed copies will not be accepted.**
- All applicants will be notified in writing of funding recommendations in March 2005. The City Council will conduct a public hearing on the recommended applications in March and will formally approve them in April/May. Funds will be made available only after HUD's final approval and after contracts between the organization and City are executed, which is expected to occur in Fall 2005.
- For more information or questions, please contact:

City of Stockton
Housing and Redevelopment Department
425 North El Dorado Street, 3rd Floor
Stockton, CA 95202
(209) 937-8539
(209) 937-5099 FAX

IV. HELPFUL HINTS!

Keeping the following in mind will help to make your application more competitive*.

- **Answer all questions completely.** Including as much information as possible (such as cost estimates and all predevelopment activities completed to date) can make your application more competitive.
- **The City's application form must be completed and submitted.** If additional space is needed, please feel free to attach additional pages. This form is available via email and on disk in a Word 2000 format by calling 937-8539. Please note, all applications must be returned in hardcopy format with original signatures.

- **Neatness counts.** Applications are read/reviewed by the Community Development Committee, therefore, applications should be typed and all efforts should be made to clearly convey the details of your proposal.
- **Davis-Bacon.** For public facility improvement/construction projects, describe all predevelopment actions taken to date. Care should be taken in presenting a budget which reflects accurate labor and material costs. **Please note all federally funded construction projects are subject to Davis-Bacon prevailing wage requirements. Use of prevailing wage rates can increase the cost of a construction project. Budgets/estimates should account for these wage rates.** For further information about Davis-Bacon wages call 937-8539.
- **Leveraging funds.** Budgets should reflect all sources of leveraged financial sources of funds. **The availability of other resources in the community is foremost in the City's mind when evaluating applications. We suggest applicants be aware of and pursue other larger funding resources, if/when applicable.**
- **Funds must be used within 12 months.** Given the federal timeliness requirements in the use of funds, the City will only recommend funding of projects which are ready to begin operation/construction within 12 months of execution of an agreement with the City. Organizations should be able to demonstrate in their application that all other funding sources have been leveraged/secured and the project/program is ready to move forward.
- **Funds allocated as part of this process will not be available until Fall 2005.** All payments of expenses against these funds are administered on a reimbursement basis. Any costs incurred prior to execution of contractual agreements with the City of Stockton cannot be paid per Federal regulations of these funds.
- **Include Annual Financial statement.** Applications should include the organization's most recent annual audited financial statement, if one is available.
- Letter of recommendation or endorsement may be included with application but are not required.

*Due to limited resources, please note that submitting an application does not guarantee that it will be funded.

APPLICATION CHECKLIST

The following items must be submitted with each application for it to be considered complete. Incomplete applications will not be reviewed for funding.



Financial Statements - Please submit one of the following:

- a. For organizations that received City funding in prior years, an audited or reviewed compilation report performed by a Certified Public Accountant.
- b. For all other organizations, either an audited report, or a compilation report, or the organization's bookkeeping records in the form outlined above (Balance Sheet, etc.), for the most recent year.



Operational Budget - A copy of the organization's operational budget for the current fiscal year and proposed budget for the 2005-06 fiscal year.



Project Budget – A copy of the project budget (if different from operational budget) showing all funding sources and uses, identify specific items that the City funds would pay for if approved.



Tax Status – If organization has a 501(c)(3) status, submit one of the following verifying documents (otherwise write N/A):

- a. A determination letter from the U. S. Internal Revenue Service, confirming 501(c)(3) Tax-exempt status of organization; or
- b. A letter from the California State Franchise Tax Board certifying tax exempt status of organization.



Board of Directors Roster – A current roster of the organization's officers and members of its Board of Directors which includes their name, position held, address, telephone number, and current employers.



Employee Roster – A current roster of all organization employees. Also include a brief description of key management, including qualifications, professional experience, education, etc.



Organization Management Staff – A current salary schedule for all employees, identifying annual salary amount with title.



Submit 1 original, unbound application and 3 copies

- ☐ **Complete Section I** – General Information
- ☐ **Complete Section II** – Organization Information
- ☐ **Complete Section III** – Project, Program, or Service Information (A or B)
 - **A**–Housing, Public Facility Activities ONLY
 - **B**–Public Service, Economic Development, Emergency Shelter, Other ONLY
- ☐ **Complete Section IV** - Authorized Signatory (signed by Board President or Authorized Representative)

SECTION II. ORGANIZATION INFORMATION

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1. What specific types of services/activities/projects does your organization provide?
2. Please describe your organization's history and experience in providing services to the community. (Provide number of years in operation and accomplishments to date.)
3. The City's funding is intended to benefit residents of the City of Stockton. Define your entire service area. (e.g., a portion of the city, entire city, county)
4. Conflict of Interest – Please identify any potential conflict of interest with this application for federal funds. Conflict of interest may exist with employees of the organization who sit on community boards, commission, or committees. Similarly, City of Stockton Council members or employees who may sit on your board of directors pose possible conflicts of interest.

5. Has the organization previously received CDBG, HOME, and/or ESG funding?
 - a. If yes, when?
 - b. How much?
 - c. Describe the specific use of that funding to date

6. Please list all committed and proposed sources of funding for this project and indicate the status of each source. Attach copies of any commitment letters you may have.

7. Please describe in detail, your plan for undertaking the project if the City approves your application for less than the amount requested. Can your project be accomplished with less than the requested amount?

8. Explain how this program/service differs from other programs providing similar services in Stockton/San Joaquin County. Also indicate any networking or collaboration which occurs with agencies or programs providing the same or like services:

SECTION IIIA. PROJECT INFORMATION

(Complete for **Housing** and **Public Facility** activities only)

1. Please describe all planning/predevelopment steps that have been completed to date. (e.g., architectural plans, engineering, land use approvals, permits, funding commitments, etc.)
2. When will construction start and end? (Include a detailed schedule with all critical milestones.)

QUESTIONS 3 – 7 SHOULD BE FILLED OUT ONLY FOR PUBLIC FACILITY ACTIVITIES. PUBLIC FACILITY ACTIVITIES ARE DEFINED AS ACQUISITION, REHABILITATION, OR CONSTRUCTION OF A FACILITY WHERE A PUBLIC SERVICE/PROGRAM WILL BE LOCATED.

3. For **Public Facility** activities only, how was the need for this program/service determined?
4. For **Public Facility** activities only, describe the outreach and service delivery methods used to reach your target program participants.

5. Federal regulations require that the use of these funds benefit principally low or moderate-income persons. For **Public Facility** activities only, describe the method you will be using to count and monitor the beneficiaries or program recipients. What are the eligibility requirements for your participants?

6. For **Public Facility** activities only, please include the average number of clients served daily, the total number of clients served annually, and the percentage of clients served residing in Stockton. Please include this information for the current year as well as the number you anticipate serving in FY 2005-2006:

Reporting Year	Average # of Clients Served Daily	Total # of Clients Served Annually	Percentage of Clients Served residing in Stockton
2004-2005 (If currently providing this service)			
2005-2006 (Anticipated)			

7. For **Public Facility** activities only, please indicate the percentage of clients to be served in 2005-2006 by income level (use the chart provided on page 3):

Very Low Income (<50% Median)	Low Income (51%-80% Median)

SECTION IIIB

PROGRAMS/SERVICES INFORMATION

(Complete for **Public Service**, **Economic Development**, **Emergency Shelter** and **Other** requests only)

1. Is this a new program/service or an expansion of an existing program/service? Please explain.

2. How was the need for this program/service determined?

3. Describe your target program participant. How do you determine that someone is eligible to participant in your program?

4. Describe your outreach and service delivery methods.

5. Federal regulations require that the use of these funds benefit principally low or moderate-income persons. Describe the method you will be using to count and monitor the beneficiaries or program recipients.

6. Please include the average number of clients served daily, the total number of clients served annually, and the percentage of clients served residing in Stockton. Please include this information for the current year as well as the number you anticipate serving in FY 2005-2006:

Reporting Year	Average # of Clients Served Daily	Total # of Clients Served Annually	Percentage of Clients Served residing in Stockton
2004-2005 (If currently providing this service)			
2005-2006 (Anticipated)			

7. Please indicate the percentage of clients to be served in 2005-2006 by income level (using the figures from the chart on page 3):

Very Low Income (<50% Median)	Low Income (51%-80% Median)

8. For **Economic Development** activities only, indicate the number of full-time and part-time jobs you expect to be created and retain, if your application is funded. Also indicate number of jobs likely to be filled by a low-income person:

Job Type	Total Full-time Jobs	Total Jobs Full-time & Low-income	Total Part-time Jobs	Percent of Part-time Jobs that will be Low-income
Expect to Create				
Expect to Retain				

SECTION IV

AUTHORIZED SIGNATORY

I hereby certify that I have read this application, and the exhibits thereto, and know the contents thereof, and that the statements therein are true, and that I have been authorized by the governing board to submit this application.

Authorized Representative Signature

Date: _____

Name and Title (Please Print)

I hereby certify that the Board of Directors has approved the submission of this application:

Board President Signature

Date: _____

Name (Please Print)

**PLEASE RETURN ONE (1) ORIGINAL, UNBOUND, AND THREE (3) COPIES OF
THIS APPLICATION AND REQUIRED ATTACHMENTS**